

**OFFICE OF THE MISSISSIPPI SECRETARY OF STATE  
BUSINESS REGULATION AND ENFORCEMENT DIVISION**

<b>In The Matter Of:</b>	)	
	)	
<b>MICHAEL DAVID COOPER</b>	)	<b>Administrative</b>
	)	<b>Proceeding</b>
	)	<b>Numbers: S-05-0132</b>
	)	<b>and S-05-0075</b>
<b>RESPONDENT</b>	)	

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**SUMMARY CEASE AND DESIST ORDER  
AND NOTICE OF INTENT TO IMPOSE ADMINISTRATIVE PENALTY**

The SECRETARY OF STATE OF MISSISSIPPI, by and through James O. Nelson, II, Assistant Secretary of State for the Business Regulation and Enforcement Division, hereby issues this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty to MICHAEL DAVID COOPER (hereinafter "Cooper"), and in support hereof, states the following.

**I. JURISDICTION**

The Business Regulation and Enforcement Division of the Office of the Secretary of State (hereinafter "Division"), having the power to administer and to regulate securities under the Mississippi Securities Act, codified at Miss. Code Ann. §§75-71-101, *et. seq.* (hereinafter "Act"), upon due consideration of the subject matter hereof, and having confirmed the offer and sale of investment contracts within the State of Mississippi, has determined the following:

## **II. FINDINGS OF FACT**

Cooper can be served with this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty at Post Office Box 106, Foxworth, Mississippi 39483-0000.

### **A - YUCATAN**

1. Cooper began selling Yucatan investments in 2001.
2. The Yucatan investment scheme involved five (5) companies which together developed resorts and sold twenty-five (25) year timeshare leases in conjunction with management contracts. The companies involved were:
  - a. Yucatan Resorts, Inc. (hereinafter "Yucatan"), formerly an Indiana company, orchestrated a purported timeshare program out of Cancun, Mexico, and other Central American locales;
  - b. Yucatan Resorts, S.A. (hereinafter "Yucatan SA"), formerly a Panamanian corporation, is a counterpart to Yucatan which contracts with sales agents and assists in operating the Yucatan timeshare program;
  - c. Resort Holdings International, Inc. (hereinafter "RHI"), formerly a Nevada corporation, is an affiliate of Yucatan and Yucatan SA and is the distributor of the Yucatan timeshare program in North America. RHI provides promotional services and is responsible for recruiting agents to sell the timeshares;
  - d. Resort Holdings International, S.A. (hereinafter "RHI-SA"), formerly a Panamanian corporation, is a counterpart to RHI. RHI-SA coordinates with RHI to provide promotional assistance and to perform various administrative functions in connection with the Yucatan timeshare program;

- e. World Phantasy Tours, Inc. a/k/a Majesty Travel and Viajes Majesty (hereinafter “World”), a purported resort management and travel agency operating as the designated servicing agent for the Yucatan timeshare program; and
- f. Avalon Resorts (hereinafter “Avalon”) is a resort development company associated with Yucatan, Yucatan SA, RHI, RHI-SA, and World.

The companies identified in a. through f. above are hereinafter referred to collectively as the “Yucatan Companies.”

The Division has no knowledge that any of these businesses are still in operation and, if they are, it has no knowledge of the current addresses for any of these companies.

3. These companies were owned and/or controlled by Michael E. Kelly, and wife, Lori Kelly (collectively hereinafter “Kelly”). Kelly had direct oversight and/or control of the timeshare program, the sale of the leases, the sale of the management contracts, and the expenditure of investor funds.

4. Kelly and the Yucatan Companies offered investors the opportunity to invest in “Universal Leases.” Investors were offered three (3) lease options. In reality, options 1 and 2 were unworkable, illusory choices, leaving option 3 as the sole alternative. All of Cooper’s Mississippi investors in the “Universal Lease Program” selected option 3.

a. Option 1 purportedly allowed investors to use the timeshare unit themselves. Each purchaser/investor was assigned a specific unit for a specific week at a specific location. The investor had **no** input into the date, quality or location of the timeshare assignment. In addition to pre-paying the lease fee, RHI charged the investors an annual management fee.

b. Option 2 ostensibly allowed investors themselves to rent out their assigned timeshare unit.

c. Option 3 received the most attention in the promotional materials. According to the promotional brochures, investors who select option three (3) would be eligible to receive a **guaranteed annual return** on their timeshare investment every year for a period of twenty-five (25) years, after which time the lease would be renewable for another twenty (20) years for the price of One Dollar (\$1.00).

The earlier Mississippi investors were guaranteed a return of eleven percent (11%) on the pre-paid lease fee. Later investors were guaranteed a return of nine percent (9%). Kelly and the Yucatan Companies sold the management contract with World in conjunction with the sale of the timeshare lease. Although the Universal Lease application does not mandate the selection of World as the investors' servicing agent, **the selection of World is the only means listed under which investors can earn the promised rate of return on their Universal Lease investments.**

5. The investors had no functions or responsibilities for the life of the lease following their initial investment of the pre-paid lease fee. The offer and sale of leases of condominium units coupled with an offer of or an agreement to perform rental or other services for the purchasers is an investment contract. The Division has two (2) bases for alleging that the purchase of a lease coupled with a service or management contract is an investment contract.

a. The purchase of a lease, together with a service or management contract, forms an "investment contract." In essentially one (1) transaction, the purchasers

invested their money in a common enterprise with the profits to come solely from the efforts of others. In addition, the investment contracts guaranteed a certain rate of return and included a take-back provision.

b. The purchase or lease, together with a service or management agreement, was part of an overall scheme to “pool” the funds of a number of individuals in a common venture managed by persons other than the purchasers or investors, and, thus, constitutes an investment contract. The common venture was the purchase and development of additional resort locations. In addition, investors were told that the property was debt free, fully insured against loss, and that they (the investors) had a first lien on this property.

6. Since 2001, Cooper directly engaged in the offer and sale of securities to Mississippi residents in the form of investment contracts as defined by the Act.

7. The Yucatan Companies reneged on paying the guaranteed interest to the investors.

8. When the investors attempted to exercise the “take back” provision in the contracts, the Yucatan Companies refused to honor the provision.

9. While Cooper was acting as a broker-dealer selling the investments, he was not registered with the Division.

10. Yucatan Resorts, Inc., Yucatan Resorts S.A., Resort Holdings International, Inc., Resort Holdings International S.A., and World Phantasy Tours, Inc., the affiliated companies selling the investment contracts have never registered with the Division.

## B. SUNSHINE

11. The Sunshine Real Estate Development scheme involved the following companies and individuals.

a. Sunshine Real Estate Development, Inc. (hereinafter “Sunshine”), a Nevada based corporation, ostensibly purchased and developed real estate. The company’s literature includes the following information:

*“Developers receive their capital from the private investment community. The company works exclusively with qualified, sophisticated investors who are knowledgeable and experienced in various real estate ventures.*

*The company offers each general partner a high annual interest return, that is fully secured, and participation in the profitable sale of each project . . .”*

b. To avoid having to register these investment contracts as securities, Sunshine attempted to structure the investments as real estate joint ventures and by assigning each general partner a specific interest in a specific lot(s) covered under the joint venture agreement.

c. The joint venture agreements are in reality investment contracts in that the Mississippi investors had no functions or responsibilities following their initial investment. Sunshine’s responsibilities were to acquire the real estate, make it available for investment, obtain the necessary permits, pay all fees and expenses, and manage the project. In return, Sunshine promised the investors that they would receive “ . . . cash back plus an amount equal to a minimum of 12% profit per annum on all monies contributed.”

The Mississippi investors invested their money in a common enterprise with the profits to come solely from the efforts of others. In addition, the investment contracts guaranteed a certain rate of return. The result was a “pooling” of funds of a number of individuals in a common venture managed by persons other than the investors, and, thus, constitutes an investment contract. A copy of a Joint Venture Agreement sold to an investor by Cooper is attached as Exhibit “A”.

12. Sunshine was not registered as an issuer or exempt from registration with the Mississippi Secretary of State’s Office.

13. Cooper acted as a salesperson and/or agent on behalf of Sunshine while unregistered.

### III. APPLICABLE LAW

14. Miss. Code Ann. § 75-71-105(b) provides in pertinent part:

“Broker-dealer” means any person engaged in the business of effecting transactions in securities for the account of others or for his own account. . .

15. An issuer is defined in Miss. Code Ann. § 75-71-105(i) as “. . . *any person who issues or proposes to issue any security, . . .*”

16. Miss. Code Ann. § 75-71-105(n) defines a security as follows:

“Security” means any note; stock; treasury stock; bond; debenture; evidence of indebtedness; certificate of interest or participation in any profit-sharing agreement; collateral-trust certificate; preorganization certificate or subscription; transferable share; **investment contract**; . . .

17. The Mississippi Secretary of State, pursuant to the rulemaking authority provided in Miss. Code Ann. §75-71-107(e), has defined an investment contract in Mississippi Securities Act Rule 103(H) as follows:

**Investment Contract** shall mean and include any interest or participation in a contract, transaction, scheme, common enterprise, or profit-seeking venture whereby a person invests therein and looks primarily to the promoter or a third party for the financial success of such venture.

18. The Mississippi Securities Act requires those selling securities to register with the Division. Miss. Code Ann. §75-71-301 provides as follows:

**Except as provided for in Section 75-71-109(a), it is unlawful for any person to transact business in this state as a broker-dealer or agent unless he is registered under this chapter.**

Except as provided for in Section 75-71-109(a), it is unlawful for any broker-dealer or issuer to employ an agent unless the agent is registered. The registration of an agent is not effective during any period when he is not associated with a particular broker-dealer registered under this chapter or a particular issuer. When an agent begins or terminates a connection with a broker-dealer or issuer, or begins or terminates those activities which make him an agent, the agent as well as the broker-dealer or issuer shall promptly notify the Secretary of State.

19. The Mississippi Securities Act at Miss. Code Ann. §75-71-401 provides for registration of securities sold in Mississippi. In pertinent part, it provides as follows:

Except as provided for in Section 75-71-109(a), it is unlawful for any person to offer or sell any security in the State of Mississippi unless: (1) it is registered under this chapter or Section 37-155-115; (2) the security or transaction is exempted under Article 3 of this chapter, or (3) it is a federal covered security.

20. The penalties for violation of the Act are provided in Miss. Code Ann. § 75-71-735 which provides as follows:

Any person who wilfully violates any provision of this chapter, except Section 75-71-115, or who wilfully violates any rule or order under this chapter, or who wilfully violates Section 75-71-115 knowing the statement made to be false or misleading in any material respect, shall upon conviction be fined not more than twenty-five thousand dollars (\$25,000.00) or imprisoned not more than five (5) years, or both; but no person may be imprisoned for the violation of any rule or order if he proves that he had no knowledge

of the rule or order. No indictment or information may be returned under this chapter more than five (5) years after the alleged violation.

#### **IV. CONCLUSIONS OF LAW**

The previous paragraphs are incorporated herein by reference.

21. Since early 2001, Respondent has offered and sold securities in the form of investment contracts, within or from Mississippi to Mississippi residents.
22. The Secretary of State has jurisdiction over this matter pursuant to Miss. Code Ann. §75-71-105(a) of the Mississippi Securities Act.
23. Respondent was not registered with the Division as a broker-dealer in violation of Miss. Code Ann. § 75-71-301.
24. Respondent sold unregistered securities in violation of Miss. Code Ann. § 75-71-401.

#### **V. AMENDMENTS**

The Division reserves the right to amend this Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty to allege additional violations.

#### **VI. PUBLIC NOTICE**

This Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty is issued in the public interest and for the protection of investors consistent with the purpose of the Act.

#### **VII. RIGHT TO AN ADMINISTRATIVE HEARING**

An administrative hearing may be requested in this matter. Any such request shall be made in writing within thirty (30) days from the date of receipt of this Order. The request must be addressed to James O. Nelson, II, Assistant Secretary of State, Post

Office Box 136, 700 North Street, Jackson, Mississippi 39205-0136.

If an administrative hearing is requested, written notice of the date, time and place will be given to all parties by certified mail, return receipt requested. Said notice will also designate a Hearing Officer.

In the event such a hearing is requested, the Respondent may appear, with or without the assistance of an attorney, at the date, time and place specified and cross-examine witnesses, present testimony, evidence and argument relating to the matters contained herein. Upon request, subpoenas may be issued for the attendance of witnesses and for the production of books and papers on the Respondent's behalf at the hearing relating to the matters contained herein. In the event such written notice is not received within said thirty (30) day period of time, a FINAL CEASE AND DESIST ORDER AND ORDER IMPOSING ADMINISTRATIVE PENALTY may be entered in this proceeding with no further notice.

#### **VIII. NOTICE OF INTENDED ACTION**

Please note that the Secretary of State intends to take the following additional action:

A. Impose an administrative penalty of up to \$25,000.00 on Respondent for each violation of the Act.

B. The imposition of an administrative penalty shall become effective thirty (30) days after receipt of this Notice unless a written request for an administrative hearing is received by the Secretary of State before the expiration of said thirty (30) days.

## IX. ORDER

**IT IS THEREFORE ORDERED**, pursuant to the authority set out in the Act that Respondent, MICHAEL DAVID COOPER shall immediately **CEASE AND DESIST FROM FURTHER ILLEGAL ACTIVITY**.

**BE ADVISED THAT**, a willful violation of this Summary Cease and Desist Order may be punishable upon conviction by a fine of not more than Twenty-five Thousand Dollars (\$25,000) or five (5) years imprisonment, or both, in addition to civil and administrative remedies available to the Division.

**SO ORDERED**, this, the 20<sup>th</sup> day of August, 2006.

ERIC CLARK  
Secretary of State

BY:



JAMES O. NELSON, II  
Assistant Secretary of State  
Business Regulation and Enforcement

Patricia Melvin, MSB #2865  
Mississippi Secretary of State's Office  
700 North Street  
Post Office Box 136  
Jackson, Mississippi 39205-0136  
Tel. (601) 359-1650  
Fax. (601) 359-1499

**CERTIFICATE OF SERVICE**

I, Patricia Melvin, do here by certify that I have this day mailed via Certified Mail, postage pre-paid, a true and correct copy of the Summary Cease and Desist Order and Notice of Intent to Impose Administrative Penalty to the following:

MICHAEL DAVID COOPER  
POST OFFICE BOX 106  
FOXWORTH, MISSISSIPPI 39483-0000

This, the 31<sup>st</sup> day of August, 2006.

  
PATRICIA MELVIN  
Senior Attorney  
Business Regulation and Enforcement

Patricia Melvin, MSB #2865  
Mississippi Secretary of State's Office  
700 North Street  
Post Office Box 136  
Jackson, Mississippi 39205-0136  
Tel. (601) 359-1650  
Fax. (601) 359-1499



Sunshine Real Estate  
Development Inc.

*Developing the New Millennium*

## Joint Venture Agreement

This agreement entered into this 13 day of NOV., 2001, between Sunshine Real Estate Development, Inc., a Nevada corporation, hereafter referred to as Sunshine and Robert E. Martin

1. **Joint Venture** - The name of this joint venture shall be Sunshine-Highland Forest and Robert E. Martin joint venture and each party, shall by resolution by its participants, cause all appropriate enabling documents to be filed, generated or produced, allowing this joint venture to be undertaken in the name of each respective party. Each party represents that there is no legal prohibition upon their respective entity to enter into this joint venture.

Q # 14, 339.56 INTEREST IN

2. **Description of Joint Venture Property** - Lot(s) 14 of Parcel "H" on plat prepared by Carolina Engineering Service, Inc. of date January, 1989, heretofore entered for record in the Office of the Clerk of Court for Greenwood County, South Carolina in Plat Book 113 at Page 145.
3. **Duration** - This joint venture shall commence upon the execution of this agreement and shall continue for the period of 1 year(s), or until terminated by mutual consent. If either party wishes to terminate the agreement at the end of the year they shall give notice of their intention to the other party no later than sixty (60) days prior to the end of the twelve-month period. In the event, the property listed in this Real Estate Joint Venture Agreement is not sold during the first year of this agreement then the agreement is automatically extended for a second year, all terms and conditions of the Real Estate Joint Venture Agreement will apply during that second year. In the event of a second year extension, the capital fund placing general partner shall have the right to be paid the first year's interest.
4. **Operation** - Sunshine, which is currently in the business of real estate development, shall offer real estate purchased by Sunshine to the joint venture. The joint venture shall have the right of first refusal to purchase additional real estate as presented. Sunshine will manage and operate the joint venture. The real property shall be acquired and maintained in the name of the joint venture until such time as Sunshine has sold the property.
5. **Obligations** - Sunshine shall maintain accurate records of the real property as listed in this joint venture agreement. Sunshine will obtain all required building permits, pay all fees and expenses and be the managing party of the joint venture.
6. Sunshine shall furnish the joint venture general partner with a copy of the sales agreement upon sale of the property on behalf of the joint venture general partners.
7. **Obligations of the Joint Venture Partner** - The joint venture general partner shall make a cash contribution of \$ 14,339.56 to the joint venture. At the time of sale, joint venture general partner shall receive cash back plus an amount equal to a minimum of 15% profit per annum on all monies contributed.



Sunshine has worked out a joint-venture program that gives their partners a flat 15% each time their lot sells. The joint-venture general partner also has the option to select a 12% annual return paid monthly. The joint venture funds are then transferred to a new lot and profits will be paid upon the sale of each property.

8. **Obligations of Sunshine** - Sunshine is to act as a sales agent to sell the real property as listed herein on behalf of the joint venture.
9. **Taxes** - Any and all taxes imposed upon the joint venture by any taxing authority shall be paid by Sunshine.
10. **Notices** - Any and all notices, or other communications required or permitted by this agreement or by law, are to be delivered to, served upon or given to any party to this agreement by any other party to this agreement in writing and shall be deemed delivered served or given when personally delivered to the party to whom directed or, in lieu of such personal service, when deposited in the United States mail, first class, postage paid, addressed as follows:

If for Sunshine:

Sunshine Real Estate Development, Inc.  
5442 Dungaree St.  
Las Vegas, NV 89118

If for Client:

Robert E. Martin  
39 Henry Lee Lane  
Fairworth, MS 39483

11. **Integration Clause** - This instrument and the agreements expressed herein are the sole and final agreements of the parties relating to this joint venture and correctly sets forth the rights, duties and obligations of each joint venture partner to the other in connection therewith as of this date. Any prior agreements, covenants, negotiations or representations not expressly set forth in this agreement shall be no forces and effect.
12. **Arbitration** - Any claim or controversy arising out of this agreement shall be submitted for binding arbitration before an arbitrator appointed by the American Arbitration Association. Judgment of the arbitrator may be entered into the jurisdiction of the State of Nevada. Each party shall pay their own expenses. Prevailing party shall have their attorney fees and costs reimbursed.

Executed in \_\_\_\_\_ County, \_\_\_\_\_.

\_\_\_\_\_  
Jules B. Fleder President,  
Sunshine Real Estate Development, Inc.  
A Nevada Corp.

\_\_\_\_\_  
-Date-

Robert E. Martin  
General Partner Signature

11-13-01  
-Date-

**Note:** Pursuant to Paragraph 7, above, this agreement shall not commence until the \_\_\_\_\_ is paid by cashiers check, certified check, or by an instrument evidencing those funds are available to the designated payee.





**Sunshine Real Estate  
Development Inc.**

"Developing The New Millennium"

**CLIENT INFORMATION**

**Client Information**

Robert E. Martin (601) 736-0713  
Name Telephone  
39 Henry Lee Lane Foxworth MS 39483  
Address City State Zip  
427-98-2585  
Social Security Number

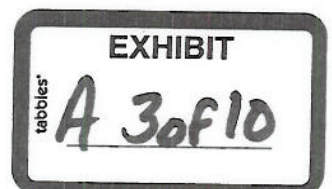
**Beneficiary Information**

Rita E. Martin 427-21-0855 (601) 736-0713  
Name Social Telephone  
39 Henry Lee Lane Foxworth MS 39483  
Address City State Zip  
Wife  
Relationship Primary/Alternate Share/% 100

Hannah N. Martin 426-75-4899 (601) 736-0713  
Name Social Telephone  
39 Henry Lee Lane Foxworth MS 39483  
Address City State Zip  
Daughter  
Relationship Primary/Alternate Share/% 50

Chesney J. Martin 426-79-5222 (601) 736-0713  
Name Social Telephone  
39 Henry Lee Lane Foxworth MS 39483  
Address City State Zip  
SON  
Relationship Primary/Alternate Share/% 50

Robert E. Martin  
Client Signature  
11-13-01  
Date



# Sunshine Real Estate Development Inc.

## TRANSMITTAL

### General Partner Information:

(GP) Last Name: MARTIN First Name: Robert Middle Initial: E

(GP) Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Account Name (if different): \_\_\_\_\_

(GP) Social Security #: 427-98-2585 (GP) Social Security #: \_\_\_\_\_

Address: 39 Henry Lee Lane City: Foxworth State: MS

Zip Code: 39483 Telephone: (601) 736-0713 Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_ (GP) Date of Birth: 11-12-51 (GP) Date of Birth: \_\_\_\_\_

### Finder's Information

Last Name: Cooper First Name: Michael Middle Initial: D

Sales Rep. ID#: 425-02-3825 Business Name: \_\_\_\_\_

Address: P.O. Box 106 / 77 miniature horse City: Foxworth State: MS

Zip Code: 39483 Telephone: (601) 731-1939 Fax: (601) 731-1939

Group Mgr. ID#: \_\_\_\_\_ Business Name: \_\_\_\_\_

Purchase Amount: 14,339.56 \$

Said purchase to be upon the following terms and/or conditions: **(Check One)**

Qualified Plan: Transfer (Trustee): \_\_\_\_\_

Annuity: Transfer (Company): \_\_\_\_\_

✓ Cash: 14,339.56 # 4916737404 (Amount & Check No.)

Qualified Amount: \$ \_\_\_\_\_

Surrender Charges: \$ \_\_\_\_\_

Non-Qualified Amount: \$ \_\_\_\_\_

Total Amount: \$ 14,339.56

Make Checks Payable to:  
Sunshine Real Estate Development  
Inc. Send Overnight Mail to:  
19 West Tarpon Avenue Suite B  
Tarpon Springs, Florida 34689  
(800) 250-2344

Agent Signature: Michael Cooper Date: 11-13-01





Sunshine Real Estate  
Development Inc.

"Developing The New Millennium"

## Joint Venture Agreement

This agreement entered into this 13 day of Nov., 2001, between Sunshine Real Estate Development, Inc., a Nevada corporation, hereafter referred to as Sunshine and Robert E. Martin.

1. **Joint Venture** - The name of this joint venture shall be Sunshine-Highland Forest and \_\_\_\_\_ joint venture and each party, shall by resolution by its \_\_\_\_\_

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT SIGNATURE LINE. ABSENCE OF THESE FEATURES WILL INDICATE A COPY.

**CITIZENS BANK**  
Columbia • Tylertown • Magnolia, MS 0653

4916737404  
**OFFICIAL CHECK**

DATE November 13, 2001 22-1676 960

PAY TO THE ORDER OF Robert Earl Martin \*\*\*\*\* \$ 14,339.56

**CITIZENS BANK** 14339 DOLS 56 CTS

REMITTER Bessie Martin

PAYABLE THRU  
FIRSTSTAR BANK OF MINNESOTA, N.A.  
ST. PAUL, MN

*[Signature]*  
AUTHORIZED SIGNATURE  
ACCEPTED BY DRAWER/DRAWEE

⑆096016765⑆00491 67374040⑈

right of first refusal to purchase additional real estate as presented. Sunshine will manage and operate the joint venture. The real property shall be acquired and maintained in the name of the joint venture until such time as Sunshine has sold the property.

5. **Obligations** – Sunshine shall maintain accurate records of the real property as listed in this joint venture agreement. Sunshine will obtain all required building permits, pay all fees and expenses and be the managing party of the joint venture.
6. Sunshine shall furnish the joint venture general partner with a copy of the sales agreement upon sale of the property on behalf of the joint venture general partners.
7. **Obligations of the Joint Venture Partner** – The joint venture general partner shall make a cash contribution of \$ 14,339.56

to the joint venture. At the time of sale, joint venture general partner shall receive cash back plus an amount equal to a minimum of 15% profit per annum on all monies contributed.





## Sunshine Real Estate Development Inc.

### Joint Venture Agreement

This agreement entered into this 13 day of June, 2001, between Sunshine Real Estate Development, Inc., a Nevada corporation, hereafter referred to as Sunshine and James M. Martin

1. **Joint Venture** - The name of this joint venture shall be Sunshine-Highland Forest and JAMES M. MARTIN joint venture and each party, shall by resolution by its participants, cause all appropriate enabling documents to be filed, generated or produced, allowing this joint venture to be undertaken in the name of each respective party. Each party represents that there is no legal prohibition upon their respective entity to enter into this joint venture.

2.5% INTEREST IN

2. **Description of Joint Venture Property** - Lot(s) 18 of Parcel F on plat prepared by Carolina Engineering Service, Inc. of date January, 1989, heretofore entered for record in the Office of the Clerk of Court for Greenwood County, South Carolina in Plat Book 113 at Page 145.

3. **Duration** - This joint venture shall commence upon the execution of this agreement and shall continue for the period of 1 year(s), or until terminated by mutual consent. If either party wishes to terminate the agreement at the end of the year they shall give notice of their intention to the other party no later than sixty (60) days prior to the end of the twelve-month period. In the event, the property listed in this Real Estate Joint Venture Agreement is not sold during the first year of this agreement then the agreement is automatically extended for a second year, all terms and conditions of the Real Estate Joint Venture Agreement will apply during that second year. In the event of a second year extension, the capital fund placing general partner shall have the right to be paid the first year's interest.

4. **Operation** - Sunshine, which is currently in the business of real estate development, shall offer real estate purchased by Sunshine to the joint venture. The joint venture shall have the right of first refusal to purchase additional real estate as presented. Sunshine will manage and operate the joint venture. The real property shall be acquired and maintained in the name of the joint venture until such time as Sunshine has sold the property.

5. **Obligations** - Sunshine shall maintain accurate records of the real property as listed in this joint venture agreement. Sunshine will obtain all required building permits, pay all fees and expenses and be the managing party of the joint venture.

6. Sunshine shall furnish the joint venture general partner with a copy of the sales agreement upon sale of the property on behalf of the joint venture general partners.

7. **Obligations of the Joint Venture Partner** - The joint venture general partner shall make a cash contribution of \$ 12,200

to the joint venture. At the time of sale, joint venture general partner shall receive cash back plus an amount equal to a minimum of 15% profit per annum on all monies contributed.

Sunshine has worked out a joint-venture program that gives their partners a flat 15% each time their lot sells. The joint-venture general partner also has the option to select a 12% annual return paid monthly. The joint venture funds are then transferred to a new lot and profits will be paid upon the sale of each property.

8. **Obligations of Sunshine** - Sunshine is to act as a sales agent to sell the real property as listed herein on behalf of the joint venture.
9. **Taxes** - Any and all taxes imposed upon the joint venture by any taxing authority shall be paid by Sunshine.
10. **Notices** - Any and all notices, or other communications required or permitted by this agreement or by law, are to be delivered to, served upon or given to any party to this agreement by any other party to this agreement in writing and shall be deemed delivered served or given when personally delivered to the party to whom directed or, in lieu of such personal service, when deposited in the United States mail, first class, postage paid, addressed as follows:

If for Sunshine:

Sunshine Real Estate Development, Inc.  
5442 Dungaree St.  
Las Vegas, NV 89118

If for Client:

James M. Martin  
124 Old Mountain Rd.  
Fort Worth, TX 76103

11. **Integration Clause** - This instrument and the agreements expressed herein are the sole and final agreements of the parties relating to this joint venture and correctly sets forth the rights, duties and obligations of each joint venture partner to the other in connection therewith as of this date. Any prior agreements, covenants, negotiations or representations not expressly set forth in this agreement shall be no force and effect.
12. **Arbitration** - Any claim or controversy arising out of this agreement shall be submitted for binding arbitration before an arbitrator appointed by the American Arbitration Association. Judgment of the arbitrator may be entered into the jurisdiction of the State of Nevada. Each party shall pay their own expenses. Prevailing party shall have their attorney fees and costs reimbursed.

Executed in NEVADA County, CARSON

[Signature]  
Jules B. Fieder President,  
Sunshine Real Estate Development, Inc.  
A Nevada Corp.

[Signature]  
General Partner Signature

11-16-01  
-Date-

11-13-01  
-Date-

**Note:** Pursuant to Paragraph 7, above, this agreement shall not commence until the 12,800.00 is paid by cashiers check, certified check, or by an instrument evidencing those funds are available to the designated payee.





Sunshine Real Estate  
Development Inc.

"Developing the New America"

### CLIENT INFORMATION

#### Client Information

Name James M. Martin Telephone (601) 736-4799  
Address 124 Old Morgantown Rd City Foxworth State MS Zip 39483  
Social Security Number 427-98-2889

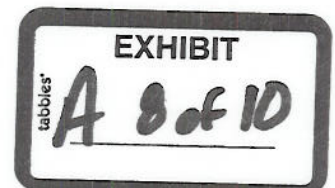
#### Beneficiary Information

Name Sylvia J. Martin (wife) Social 427-94-3137 Telephone  
Address 124 Old Morgantown Rd City Foxworth State MS Zip 39483  
Relationship wife ☒ Primary ☐ Alternate Share/% 100

Name Derry D Martin (son) Social 587-37-6829 Telephone (601) 736-4799  
Address 124 Old Morgantown Rd City Foxworth State MS Zip 39483  
Relationship son ☐ Primary ☒ Alternate Share/% 100

Name \_\_\_\_\_ Social \_\_\_\_\_ Telephone \_\_\_\_\_  
Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
Relationship \_\_\_\_\_ Primary/Alternate \_\_\_\_\_ Share/% \_\_\_\_\_

Client Signature James M. Martin Date 11-13-09



# Sunshine Real Estate Development Inc.

## TRANSMITTAL

### General Partner Information:

(GP) Last Name: Martin First Name: JAMES Middle Initial: M

(GP) Last Name: \_\_\_\_\_ First Name: \_\_\_\_\_ Middle Initial: \_\_\_\_\_

Account Name (if different): \_\_\_\_\_

(GP) Social Security #: 427-98-2889 (GP) Social Security #: \_\_\_\_\_

Address: 124 Old Morgantown Rd. City: Foxworth State: MS

Zip Code: 39483 Telephone: (601) 736-4799 Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_ (GP) Date of Birth: 3-12-47 (GP) Date of Birth: \_\_\_\_\_

### Finder's Information

Last Name: Cooper First Name: Michael Middle Initial: D

Sales Rep. ID#: 425-02-3825 Business Name: \_\_\_\_\_

Address: Box 106 / 77 miniature horse Dr. City: Foxworth State: MS

Zip Code: 39483 Telephone: (601) 731-1939 Fax: (601) 731-1939

Group Mgr. ID#: \_\_\_\_\_ Business Name: \_\_\_\_\_

Purchase Amount: 12,200 \$ \_\_\_\_\_

Said purchase to be upon the following terms and/or conditions: (Check One)

Qualified Plan: Transfer (Trustee): \_\_\_\_\_

Annuity: Transfer (Company): \_\_\_\_\_

☒ Cash: 12,200 # 4916737403 (Amount & Check No.)

Qualified Amount: \$ \_\_\_\_\_

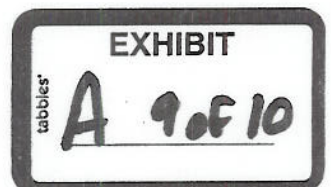
Surrender Charges: \$ \_\_\_\_\_

Non-Qualified Amount: \$ \_\_\_\_\_

Total Amount: \$ 12,200

Make Checks Payable to:  
Sunshine Real Estate Development  
Inc. Send Overnight Mail to:  
19 West Tarpon Avenue Suite B  
Tarpon Springs, Florida 34689  
(800) 250-2344

Agent Signature: Michael Cooper Date: 11-13-01





**Sunshine Real Estate  
Development Inc.**

"Developing The New Millennium"

## Joint Venture Agreement

This agreement entered into this 13 day of NOV., 2001, between Sunshine Real Estate Development, Inc., a Nevada corporation, hereafter referred to as Sunshine and James M. Martin

1. **Joint Venture** - The name of this joint venture shall be Sunshine-Highland Forest and \_\_\_\_\_ joint venture and each party, shall by resolution by its participants, cause all appropriate enabling documents to be filed, generated or produced.

THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED ON THE BACK. THE FRONT OF THE DOCUMENT HAS A MICRO-PRINT SIGNATURE LINE. ABSENCE OF THESE FEATURES WILL INDICATE A COPY.

**CITIZENS BANK**  
Columbia • Tylerstown • Magnolia, MS  
0653

4916737403  
**OFFICIAL CHECK**

DATE November 13, 2001 22-1676  
960

PAY TO THE ORDER OF JAMES M. Martin \*\*\*\*\*\$ 12,200.00

**CITIZENS BANK** I 2 2 0 0 D O L L A R S 0 0 C T S

DOLLARS

REMITTER Bessie Martin

PAYABLE THRU  
FIRSTAR BANK OF MINNESOTA, N.A.  
ST. PAUL, MN

AUTHORIZED SIGNATURE  
ACCEPTED BY DRAWER/DRAWEE

67374031

⑆096016765⑆00491 67374031⑈

operate the joint venture. The real property shall be acquired and maintained in the name of the joint venture until such time as Sunshine has sold the property.

5. **Obligations** - Sunshine shall maintain accurate records of the real property as listed in this joint venture agreement. Sunshine will obtain all required building permits, pay all fees and expenses and be the managing party of the joint venture.
6. Sunshine shall furnish the joint venture general partner with a copy of the sales agreement upon sale of the property on behalf of the joint venture general partners.
7. **Obligations of the Joint Venture Partner** - The joint venture general partner shall make a cash contribution of \$ 12,200

to the joint venture. At the time of sale, joint venture general partner shall receive cash back plus an amount equal to a minimum of 15% profit per annum on all monies contributed.